

Ballot Title Setting Board

Proposed Initiative 2007-2008 #113¹

The title as designated and fixed by the Board is as follows:

State taxes shall be increased \$321.4 million annually by an amendment to the Colorado Revised Statutes concerning the severance tax on oil and gas extracted in the state, and, in connection therewith, for taxable years commencing on or after January 1, 2009, changing the rate of the tax to 5% of total gross income from the sale of oil and gas extracted in the state when the amount of annual gross income is at least \$300,000; eliminating a credit against the severance tax for property taxes paid by oil and gas producers and interest owners; reducing the level of production that qualifies wells for an exemption from the tax; exempting revenues from the tax and related investment income from state and local government spending limits; and requiring specified percentages of the tax revenues to be credited to (1) the severance tax trust fund, (2) the local government severance tax fund, and (3) the severance tax stabilization trust fund, which the measure creates to be used to fund scholarships for Colorado residents attending state colleges and universities, the preservation of native wildlife habitat, enhancements in renewable energy and energy efficiency, transportation projects in counties and municipalities impacted by the severance of oil and gas, and community drinking water and wastewater treatment grants.

The ballot title and submission clause as designated and fixed by the Board is as follows:

Shall state taxes be increased \$321.4 million annually by an amendment to the Colorado Revised Statutes concerning the severance tax on oil and gas extracted in the state, and, in connection therewith, for taxable years commencing on or after January 1, 2009, changing the rate of the tax to 5% of total gross income from the sale of oil and gas extracted in the state when the amount of annual gross income is at least \$300,000; eliminating a credit against the severance tax for property taxes paid by oil and gas producers and interest owners; reducing the level of production that qualifies wells for an exemption from the tax; exempting revenues from the tax and related investment income from state and local government spending limits; and requiring specified percentages of the tax revenues to be credited to (1) the severance tax trust fund, (2) the local government severance tax fund, and (3) the severance tax stabilization trust fund, which the measure creates to be used to fund scholarships for Colorado residents attending state colleges and universities, the preservation of native wildlife habitat, enhancements in renewable energy and energy efficiency, transportation projects in counties and municipalities impacted by the severance of oil and gas, and community drinking water and wastewater treatment grants?

Hearing May 21, 2008:

¹ Unofficially captioned “**Severance Tax**” by legislative staff for tracking purposes. Such caption is not part of the titles set by the Board.

*Single subject approved; staff draft amended; titles set.
Hearing adjourned 5:20 p.m.*